

REC'D MAR 19 2008

ALTERNATIVE PLAN SUBMITTAL SHEET

School Administrative Unit Submitting Alternative Plan:

- M.S.A.D. #49

Contact Information:

Name: Dean Baker
Address: M.S.A.D. #49
8 School Street
Fairfield, ME 04937
Telephone: 207-453-4200 ext. 102
email: dbaker@msad49.org

Date Plan Submitted by SAU: November 30, 2007 / Revised Plan
March 17, 2008

The intent to submit an alternative plan has been approved by the Commissioner in the approval of the Notice of Intent?



YES



NO

(If NO, please explain.)

Alternative Plan Cover Sheet

(Please attach Alternative Plan as Exhibit A)

Plan Requirements				
Item	Complete	In Progress	Not Yet Started	Need Assistance ¹
Plan addresses how the SAU will reorganize administrative functions, duties and noninstructional personnel so that projected expenditures of RSU in fiscal 2008-2009 for the following areas will not have an adverse impact on the instructional program.				
system administration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
special education	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
facilities and maintenance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Plan addresses how cost savings will be achieved in fiscal 2008-2009 for the above four areas.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Parameters for Plan Development				
Enrollment meets requirements (2,500 except where circumstances justify an exception)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
When viewed in conjunction with surrounding proposed units, may not result in one or more municipalities being denied the option to join an RSU	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Includes at least one publicly supported high school	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Consistent with policies set forth in section 1451	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
No displacement of teachers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
No displacement of students	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
No closures of schools existing or operating during school year immediately preceding reorganization, except as permitted under section 1512	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Collaborative Agreements				
	Yes		No	
Does your plan currently include information/documentation on collaborative agreements? (not required, but encouraged)	<input checked="" type="checkbox"/>		<input type="checkbox"/>	

¹ Please explain what assistance you need to complete this portion of your plan, and state from whom you need assistance, on the next page.

Actual number of students for which the SAU is fiscally responsible: 2553

Exception	Exception Claimed in Plan	Documentation Provided? (Please attach as Exhibit B)	
		Yes	No
Geography	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Demographics	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Economics	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Transportation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Population Density	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other Unique Circumstances	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Assistance Needs –

Please use this section to describe your needs for assistance and from whom you need assistance.

[illegible]

M.S.A.D. #49 Alternative Plan Revision

March 2008

Contact Information: Dean Baker, Superintendent of Schools

We are writing in response to your December 14, 2007 letter of review. The M.S.A.D. #49 Board of School Directors has confirmed the direction of the items listed as in progress on the plan requirements check list and now submit that plan as complete. The following narrative addresses the financial impact for the four required areas.

Given the current level of uncertainty about 2008-09 state funding, the enclosed projected 2008-09 expenditures are preliminary and tentative. The Board's finance committee will review the budget requests during March and recommend amounts for approval by the entire Board. The amounts directly below the estimated 2008-09 EPS allocations on Exhibit A are the initial requests in the budget process. Historically, those figures have often been reduced during the budget adoption process by the superintendent and the school board.

Adjustments in system administration, operations/maintenance, transportation and special education will not have an adverse impact on the instructional program. The area where M.S.A.D. #49 most significantly exceeded the EPS allocation has been the instructional program, particularly special education. The Board projects salary increases for teachers to be in excess of \$700,000 for 2008-09. Compensation for instructional staff accounts for most of the increase in the preliminary 2008-09 budget. The very conservative budgets for non-instructional programs has, in fact, hampered operations in a number of areas. After careful analysis, we have determined that current staff in district administration are necessary for effective management and support. Continued and new state and federal mandates also necessitate increased time from system administration staff.

M.S.A.D. #49 is taking aggressive steps to control the cost of transportation. The spiraling cost of fuel will hamper our ability to contain spending within targeted amounts. The district will utilize Edulog software to maximize efficiency in designing bus routes and we look forward to adopting software as it becomes available through the state. The school board adopted a policy restricting the coverage and breadth of routes and reducing the number of bus stops to control costs. Students will be required to walk longer distances in several cases. The expenditure for transportation shown in Exhibit A includes bus purchases, and should be reduced by \$235,149 for 2007-08. That adjustment will bring us into closer alignment with the EPS figure.

Facilities maintenance/operations will balance the need for short-term savings with far larger long-term cost avoidance. We published a request for proposals on energy management this month and we expect significant cost control from the project. This will be a follow up on a similar 1995 project. Custodial procedures, such as turning off lights, closing windows and constant use of our software program on heat management achieve ongoing savings. Recent upgrades in gymnasium lighting in three schools also save several thousand dollars per year. We will also work with Central Maine Power on peak demand analysis and shedding demand where possible. However, we confront countervailing pressures. We face the choice of spending above EPS in maintenance now or needing new construction as facilities deteriorate. Water quality of Albion Elementary presents a unique challenge because of high antimony and arsenic levels. Water quality standards required drilling a new well with a control system costing twelve to fifteen thousand annually. Federal standards with far stricter tolerances create a moving target. We must provide bottled drinking water because no technology is available to bring levels within standards. We anticipate reductions in custodial and transportation staff despite these problems.

The district has also curtailed the growth of special education. However, the final costs are beyond our ability to determine. Nearly all spending is directly tied to services required by the Individual Learning Plans of identified special education students. We must continue to comply with the provisions of the federal IDEIA. Where possible, the district will eliminate spending.

Dean P. Baker

December 14, 2007

Dean Baker, Superintendent
MSAD 49
8 School Street
Fairfield, ME

Dear Superintendent Baker:

Thank you for the Alternative Plan that you submitted on behalf of MSAD 49 on November 30, 2007 for Department review for compliance with the school reorganization law, P.L. 2007, chapter 240, Part XXXX.

I recognize how much time, effort and thoughtful work is required to complete an alternative plan and appreciate the efforts made, to date, by all those involved.

Members of my staff and I have reviewed the submission and offer the comments and notes listed below to assist you in completing the plan. If you make any substantive change(s) to any part of the plan beyond those listed below, please be sure to note those on the Updated Alternative Plan Cover Sheet Checklist, along with notation of those items that have changed per the notes contained in this response.

General Documentation (Submittal Sheet)

- All information submitted as required.
- The actual number of students for which the proposed RSU was fiscally responsible as of October 1, 2006 was 2,669. I am making you aware of this as this is the enrollment number that will be used in determining Essential Programs and Services funding.

Checklist/Plan Text Items

Items Checked "In Progress" or "Not Yet Started"

With respect to the items you checked as “in progress” or “not yet started”, we are unable to complete our review until the additional information is provided. However, based on our preliminary review we would ask you to please note the following:

** Required Items*

Each alternative plan must provide projected expenditures in FY 2008-2009 for system administration, transportation, special education, and facilities and maintenance in accordance with P.L. 2007, chapter 240, Part XXXX-36(6)(F). Please provide these projected expenditures in each of the four categories; and please consider using the guidance offered in the Drummond Woodsum workshop materials.

In Exhibit A, we have included a comparison of (A) the 2007-08 EPS allocations for the four categories of system administration, transportation, special education, and facilities and maintenance and (B) your unit’s 2007-08 budget information (if available) for these four categories. Also included are estimated 2008-09 EPS allocations for system administration, transportation, and facilities and maintenance. I encourage you to review this information. NOTE: If the 2007-08 budget information is missing then it is likely that your unit has not submitted this information to the MEDMS Financial System; please see Administrative Letter # 20, dated 2/13/2007 for instructions.

Please address the requirement in P.L. 2007, chapter 240, Part XXXX-36(6)(F) that “. . . the projected expenditures in FY 2008-2009 for system administration, transportation, special education, and facilities and maintenance will not have an adverse impact on the instructional program” by providing an assurance to that effect. Note: We will confirm this assurance against the information that was required to be submitted to the MEDMS Financial System in August, 2007.

A model for budgeting for system administration is available at www.maine.gov/education/supportingschools/planning.html.

The Department of Education will be issuing an RFP to procure routing software to be available statewide. It is the Department’s intent to issue the RFP early in 2008 and have a contract signed with a vendor as soon thereafter as possible so that the software will be available to RSUs and municipalities as soon as possible. SAUs may begin to work with the system in FY 2008-2009 but will not be able to budget any cost savings until FY 2009-2010.

We will review all items on the checklist again, upon your completion of the plan.

SUBMISSION OF REVISIONS:

Please provide the additional materials to complete your plan by February 1, 2008. Please include:

- Any additional data required
- An updated Submittal Page
- An updated Cover Sheet Checklist
- A copy of this Response from the Commissioner.

I will respond no more than 14 days after the revisions/additional materials are refiled with the Department. As you are the contact person identified on the Submittal Sheet, this response is addressed to you but with the understanding that you will share it with your school administrative unit board members.

Finally, what I am reviewing for approval is a plan (or a submission, if the plan is incomplete) which is by its very nature prospective, with steps yet to be taken or finalized; and any review comments or approval given are in relation to the elements required under P.L. 2007, chapter 240, Part XXXX but not the legality of all the activities proposed. Thus, I strongly recommend that you have your own legal advisor(s) review the details of any particular transaction proposed in your plan (particularly with respect to the disposition of property, to debt, and to employee contracts/relations) as you proceed, to ensure the legality of the steps you'll be taking to implement the plan. If that review leads to any substantive changes in any parts of your plan, please be sure to submit an amended plan to the Department for our review and our file.

Again, my sincere thanks for your efforts.

Sincerely,



Susan A. Gendron
Commissioner of Education

Enc.

cc: Charlie Richardson

Exhibit A

Maine Department of Education
Alternative Plan Financial Review

School Administrative Unit: MSAD 49

1. 100% Essential Programs and Services

10/1/2006 Enrollment	Required Local	Additional Local	ED 281 Line 60 Subsidy	Taxes and Subsidy	100% EPS	Amount Over (Under) EPS	Percent Over (Under) EPS
2953.88	\$ 4,570,392	\$ 1,056,299	\$ 16,274,340	\$ 21,901,031	\$ 21,726,550	\$ 174,481	0.80%

2. System Administration

FY '08 Budget*	K - 8	Assessment 9 - 12	Total	Less Revenues	Amount Over (Under) Assessment	Percent Over (Under) Assessment
\$ 635,564	\$ 699,355	\$ 358,068	\$ 1,057,424	\$ -	\$ (421,860)	-39.90%

Estimated 2008-09 100% EPS Allocation based on student counts used for 2007-08 funding = \$ 602,591

\$ 644,181

3. Operations and Maintenance of Facilities

FY '08 Budget*	K - 8	Assessment 9 - 12	Total	Less Revenues	Amount Over (Under) Assessment	Percent Over (Under) Assessment
\$ 3,041,856	\$ 1,862,350	\$ 1,142,600	\$ 3,004,950	\$ -	\$ 36,906	1.23%

Estimated 2008-09 100% EPS Allocation based on student counts used for 2007-08 funding = \$ 2,946,752

\$ 3,871,010

4. Special Education

FY '08 Budget*	Assessment	Less Revenues	Amount Over (Under) Assessment	Percent Over (Under) Assessment
\$ 3,124,809	\$ 2,377,938	\$ 150,000	\$ 746,871	31.41%

Estimated 2008-09 100% EPS Allocation based on student counts used for 2007-08 funding = Not Available

\$ 3,511,927

5. Transportation

FY '08 Budget*	Assessment	Less Revenues	Amount Over (Under) Assessment	Percent Over (Under) Assessment
\$ 1,358,857	\$ 930,069	\$ -	\$ 428,788	46.10%

Estimated 2008-09 100% EPS Allocation based on student counts used for 2007-08 funding = \$ 883,566

\$ 1,406,859

*FY '08 Budget information from MEDMS Financial Reporting.